



BEFORE THE
COMPETITION COMMISSION OF PAKISTAN

EX-POST FACTO FIRST PHASE REVIEW

IN THE MATTER OF PROPOSED INDIRECT ACQUISITION OF %
SHAREHOLDING OF M/S. SWVL INC., BY M/S. QUEEN'S GAMBIT HOLDING
LLC THROUGH SWVL HOLDING CORP WHICH HOLDS SWVL INC
CONSEQUENT TO THE RESTRUCTURING TRANSACTIONS

CASE: 1259/Merger-CCP/22

Date of Hearing

August 23, 2022

Commission

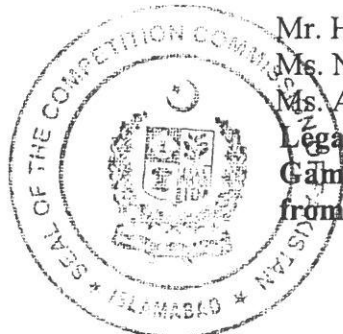
Ms. Rahat Kaunain Hassan
Chairperson

On behalf of
SWVL Inc.,
Queen's Gambit Growth Capital

Mr. Faisal Iftikhar
General Manager – SWVL Inc.,

Mr. Youssef Saleem
CFO – SWVL
Ms. Rana Shafiq
Chief Legal Officer – SWVL Inc.,

Mr. Hasan Raza
Ms. Nida Zafar
Ms. Aliya Youseff
Legal Representative – Queens
Gambit Growth Capital & Swvl Inc.,
from Orr, Dignam & Co.



ORDER

1. This Order will dispose of the proceedings arising out of hearing notice numbered F.NO:1259/MERGER/CCP/2022 dated July 28, 2022 under Section 11(12) of the Competition Act, 2010 ("Act") issued to M/s. Queen's Gambit Growth Capital and M/s. SWVL Inc., (hereinafter the "**Merger Parties**") for *prima facie* violation of sub-sections (1) to (4) of Section 11 of the Act read with Regulation 4 of the Competition (Merger Control) Regulations, 2016 ("**Merger Regulations**").

Factual Background

2. During review of the merger application filed under Section 11 of the Act on 26 January 2022 by the Merger Parties for the proposed indirect acquisition of 1/3 shareholding of M/s. SWVL Inc., ("**Swvl Inc.**") by M/s. Queen's Gambit Holding LLC ("**Queen's LLC**") through SWVL Holding Corp which holds SWVL Inc consequent to the restructuring steps as elaborated in para 4 (ii) of this Order. It was noted that the transaction had been consummated on March 31, 2022 while the application for merger clearance was still under review. Therefore, the aforementioned hearing notice was issued to the concerned Merger Parties.
3. A hearing was conducted on August 23, 2022, during which the Merger Parties informed the Bench that due to certain unavoidable factors and on account of the time sensitive nature of the transaction, it had to be consummated while the pre-merger approval was pending with the Competition Commission of Pakistan ("**Commission**"). Nevertheless, the Merger Parties committed to complying with the provisions of the Act in future and requested the Commission to take a lenient view in this regard. A fresh merger application with all requisite information was also submitted in this connection on September 09, 2022 (the "**Application**"). All relevant information was provided by the Merger Parties on February 24th, 2023.

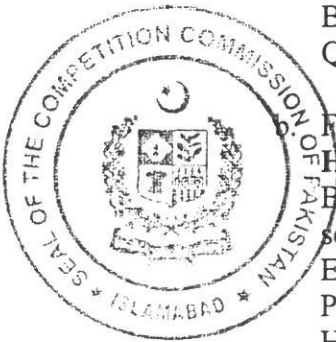
Deliberation on Application

4. The Commission has examined the Application as well as all the documents attached therewith and the information provided by the concerned undertaking(s). The Phase I competition assessment of the intended transaction has revealed the following facts:

i. The business activities of the undertakings concerned are:

- a. For Queen's LLC: a Delaware limited liability company and parent company of Queen's Gambit Growth Capital, a Cayman Island's Special Purpose Acquisition Company ("**Queen's Gambit**"). Queen's Gambit was created for the specific purpose of raising money and entering into business combinations with suitable target entities. Queen's Gambit has a wholly owned subsidiary namely M/s. Pivotal Merger Sub Company II ("**Pivotal II**"), a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands. In the instant transaction, the target entity was Swvl Inc. Queen's Gambit and Pivotal II ceased to exist after the subject transaction.

For Swvl Inc.: a wholly owned subsidiary of M/s. Swvl Holdings Corp. ("**Swvl Holdings**") and is a private company, incorporated under the territory of the British Virgin Islands. It is a tech-driven company providing mass transit services via the SWVL (app) in Egypt, Kingdom of Saudi Arabia, United Arab Emirates, Kenya and in Pakistan. It is active via its subsidiary M/s. Swvl Pakistan (Private) Limited ("**Swvl Pakistan**"). Furthermore, M/s. Pivotal Holdings Corp. ("**Pivotal Holdings**") is a wholly owned subsidiary of Swvl



Inc., a British Virgin Islands business company limited by shares incorporated under the laws of the British Virgin Islands. M/s. Pivotal Merger Sub Company I (“Pivotal I”) was held by Pivotal Holdings

- ii. As per the Application the following restructuring steps will take place to achieve a post restructuring scenario in which Swvl Holdings (listed on NASDAQ) holds Swvl Inc and Pivotal I, and Queen’s LLC will hold % in Swvl Holdings. The total consideration for the transaction amounted to USD (PKR billion).
 - a. Queen’s Gambit will merge with and into M/s. Pivotal Merger Sub Company I (“Pivotal I”) a wholly owned subsidiary of Pivotal Holdings and Pivotal I will be the surviving entity.
 - b. Pivotal I will transfer all the shares of Pivotal II to Pivotal Holdings.
 - c. Pivotal II will merger into Swvl Inc, with Swvl being the surviving entity.
 - d. Pivotal Holdings will become the new parent company of Swvl Inc. (the transaction which attracts the relevant provisions of the Act and Merger Regulations here in Pakistan). Pivotal Holdings changed its name to M/s. Swvl Holdings Corp.
 - iii. The relevant market at the time of consummation of this transaction has been identified as “Ridepooling Services” and the relevant geographic market is “Pakistan”.
 - iv. As per the Applicant, Swvl had presence in the relevant market through Swvl Pakistan, having a market share of less than % in its intracity services and % in intercity services. However, Swvl Inc. submitted that Swvl Pakistan has ceased its operations for now.
5. In light of the above, the proposed transaction does not meet the presumption of dominance as determined under Section 2(1)(e) read with Section 3 of the Act. Hence, the Commission hereby authorizes the subject transaction under Section 31(1)(d)(i) of the Act.
6. In the subject transaction, matters which may fall outside the scope of the Commission’s purview, remain subject to applicable laws.
7. It is so ordered.


(Ms. Rahat Kaunain Hassan)

Chairperson

Islamabad the 28th Feb, 2023.

